STATEMENT
OF
JEFFREY N. SHANE
UNDERSECRETARY OF TRANSPORTATION FOR POLICY
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Introduction

Mr. Chairman, on behalf of Secretary Mineta I would like to thank you and the distinguished members of the subcommittee for this opportunity to discuss the Next Generation Air Transportation System – or "Next Generation" – initiative. This initiative is one that Secretary Mineta has taken a strong personal interest in, which is why he asked me to be here today to discuss what we have achieved thus far and how we can work with Congress to transform our nation's air transportation system.

Recognizing our Future Needs

FAA's Chief Operating Officer Russell Chew's testimony notes that the FAA and its Air Traffic Organization are doing all that is possible in the short term to increase the capacity of our current air transportation system. These efforts include: building new runways; redesigning airspace to wring out more capacity from the current system; working with industry to help increase operational efficiency; and examining ways to manage demand more effectively at our most congested airports.

In the longer term, however, we know that these short- and mid-term efforts will simply not be enough. The recent FAA aviation forecast provides further evidence that our current system, already coming under stress in some areas, will be stretched to its limit as future demands continue to grow. Passenger totals are expected to exceed one billion by 2015, and we project up to a tripling of passengers, operations and cargo by the year 2025. As Secretary Mineta said in a speech before the Aero Club in January 2004: "The changes that are coming are too big, too fundamental for incremental adaptations of the infrastructure. We need to modernize and transform our air transportation system – starting right now."

I don't need to tell any of you – who all depend so regularly on air transportation – how critical it is to our economy and to our quality of life to have a safe, secure and efficient national aviation system. As noted in the report of the Commission on the Future of the United States Aerospace Industry, consumers could lose as much as $30B annually if people and products cannot reach their destinations within the time periods we expect today. The truth is that air transportation has become part of the very fabric of our nation's economy, and we simply must not allow delays in the system to limit our future growth potential.

The importance of developing such a future system is also quite clear to policymakers in Europe, where a comparable effort is well underway. This presents both a challenge and an opportunity to the United States at this critical time for our nation's aerospace industry. Creating a modernized, global system that provides interoperability could serve as a tremendous boost to the industry, fueling new efficiencies and consumer benefits. Alternatively, we could also see a patchwork of duplicative systems and technologies develop, which would place additional cost burdens on an industry already struggling to make ends meet.

VISION 100 and Creation of the JPDO

In recognition of these challenges, the 108th Congress and President Bush took the first critical step toward transforming our air transportation system by passing and signing into law the Vision 100 – Century of Aviation Reauthorization Act (P.L.108-176), which provides for the development and implementation of an integrated plan for the Next Generation system. The law also provided for the creation within the FAA of the Joint Planning and Development Office (JPDO) to develop the Integrated National Plan that guides the development of this system and manages the work associated with it.

Under the leadership of Administrator Blakey and with her strong support, the JPDO now serves as a focal point for coordinating the research related to air transportation for agencies across the federal government, including the Departments of Transportation, Commerce, Defense and Homeland Security; NASA; and the Office of Science and Technology Policy. Early on, we realized that an initiative of this magnitude and complexity could never be successfully completed by DOT alone, especially in a post-9/11 context. We sought support from others, and they delivered. NASA has been a close partner from the beginning, helping to fund the JPDO and contributing several staff members, including its Deputy Director, and all the other agencies involved have provided invaluable support to the JPDO that has helped us establish a strong, collaborative atmosphere.

Another special feature of this initiative is the high-level participation from each of these organizations. Secretary Mineta chairs a Senior Policy Committee made up of Deputy Secretary-level officials from these organizations that direct the effort and will be responsible for its ultimate success or failure. These individuals have been highly engaged from the outset, and we are grateful for their continued support.

A successful transformation will also require a close partnership with the research community, industry and other stakeholders. The JPDO is establishing a formal structure, which I will describe later in my testimony, to manage these relationships and in doing so ensure a full public-private partnership.

The first product of the JPDO – the Integrated National Plan – was delivered to Congress in December 2004 and can be viewed at www.jpdo.aero. This strategic business plan lays out a common vision for the Next Generation system, establishes benchmarks for success, and creates a structure by which we can design and implement the changes we

need to make. It will be continually updated and expanded each year going forward as we further define the exact specifications and requirements of the Next Generation system.

The Way Forward and the Roadmap to Success

With that as a backdrop, let me now talk about the way forward. Our overarching goal in the Next Generation initiative is to develop a system that will be flexible enough to accommodate very light jets and large commercial aircraft, manned and unmanned air vehicles, small airports and large, business and vacation travelers alike, and to handle up to three times the number of operations that the current system does with no diminution in safety, security and efficiency. Additionally, this system will still need to accommodate the needs of the Department of Defense for flights within this flexible system while providing available Special Use Airspace to meet current and future training requirements.

To coordinate research, development, and implementation efforts that will take us to the Next Generation system, the Integrated National Plan sets out eight major strategies. These strategies focus on those aspects of aviation that hold the keys to capacity and efficiency improvements – airport infrastructure, security, a more agile air traffic system, shared situational awareness, safety, environmental concerns, weather and global harmonization of equipage and operations. For each strategy, there is an Integrated Product Team to refine the actions needed to make the Next Generation system a reality. Each agency involved in the initiative leads at least one of these Teams. These Teams will work closely with our stakeholders to ensure that they have an early window into our thinking and that we take full advantage of their expertise every step of the way.

What truly sets this new structure apart is that it eliminates duplication of effort and gets everyone involved in aviation across the federal government working toward a common goal – creation of a Next Generation system. Moreover, we are using the JPDO process to bring agencies together as we develop the Integrated National Plan in more detail to ensure that all of the different parts of the future system are fully understood and addressed from the outset.

This process ensures full coordination of research across agency lines and between government and the private sector in ways that have not been done in the past. The fact is that we already have a sizable amount of resources being spent each year on air transportation related research. By better coordinating our actions, avoiding duplication and tying these activities together through a long-term, integrated national plan we can maximize the benefits of those public and private investments and target our limited resources more effectively.

Getting Stakeholders Involved

Given the JPDO's unique structure and mission and the Bush Administration's commitment to develop innovative public-private partnerships, the JPDO is employing a

blend of traditional and non-traditional mechanisms to help foster and expand our outreach process.

Existing federal advisory committees will be used to ensure all plans and decisions receive broad review and public comment. These committees include senior-level executives from across industry empowered to provide advice on strategy and transition issues. Let me stress in the strongest possible terms that existing federal advisory committees with an interest in air transportation will continue to play a strong advisory role for the Next Generation system.

We are especially grateful, however, to Dr. John Hamre, former Deputy Secretary of Defense, who agreed to chair a new subcommittee of the FAA's Research, Engineering and Development Advisory Committee (REDAC) focused exclusively on providing high-level advice on development of the Next Generation system. Dr. Hamre and his colleagues have already made enormous contributions to this effort.

In addition to this high-level advice however, we also want to make sure that the preliminary technical plans we propose have the benefit of private sector expertise before they are delivered to these bodies for review. We need the best minds in America across both the public and private sectors working on the task of creating a Next Generation system.

To achieve this, we have entered into an agreement with the Aerospace Industries Association's National Center for Advanced Technologies to establish a Next Generation Air Transportation System Institute (the "Institute") that will allow stakeholders to get directly involved in the transformation process. And while AIA will host the Institute, it will also be co-chaired by the presidents of the Air Traffic Control Association and the Air Transport Association and open for participation by all segments of the industry.

This Institute will provide assistance directly to the JPDO in a number of important areas. For example, it will help populate the eight Integrated Product Teams that will develop the more detailed action plans for achieving the Next Generation system. We want to ensure that the right industry experts are there to participate in deliberations of the Teams in order to provide their unique expertise. Using requirements laid out by each of the Teams, the Institute will solicit expressions of interest from industry representatives and then select the most qualified participants. The Institute will also be called upon to perform specific research in areas identified by the JPDO as critical for implementing the Integrated National Plan.

Next Steps

The JPDO has a very ambitious schedule for this year with a number of important deliverables. Since the December 2004 publication of the Integrated National Plan, the Integrated Product Teams have begun to add detail to their individual contributions to the Next Generation system and set out the actions – system modernization, research and

development, policy issues for resolution – that will be required to achieve that portion of our vision.

The office will also more fully develop the metrics we will use to measure the benefits of the Next Generation system and our performance in delivering those benefits. These more detailed plans can then be included in the second edition of the Integrated National Plan to be delivered to Congress later this year and through the President's FY07 budget submission.

Perhaps most importantly, over the next three years the JPDO and its member agencies will move from planning to actual implementation in creating a Next Generation system. The first step in this direction will be through demonstration projects currently under development. These demonstrations will seek to apply some of the key elements we see in the future system – like shared situational awareness – and test their applicability and readiness for use in the Next Generation system.

Conclusion

Mr. Chairman, the Next Generation Air Transportation System initiative is unprecedented in its scope, complexity and the challenges it will face. Far from being a turn-key operation, it will require years of hard work, managing risk and unparalleled coordination among the many federal agencies and stakeholders involved. The process has now begun in earnest, however, and by aligning our resources and activities through the JPDO, I am confident we will succeed. We will, of course, need strong support from members of Congress, and we therefore look forward to working with all of you on this critical endeavor. Thank you very much for the opportunity to appear before you today, and I look forward to answering your questions.